



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

TAX-RETURN PREPARER INDICTED FOR FALSE RETURNS; CLIENTS MUST REPAY OVER \$100,000

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced today that a Kansas City, Mo., tax-return preparer has been indicted by a federal grand jury for filing false tax returns that claimed deductions and credits to which her clients were not entitled.

Tina Christine Smith, 48, of Kansas City, was charged in a 37-count indictment returned by a federal grand jury in Kansas City on March 29, 2005. **Smith** was employed by H&R Block as a tax-return preparer for approximately 10 years until 2003, and has operated her own business, Doctor T Tax Service, out of her home since October 2002.

The federal indictment alleges that **Smith** prepared at least 37 false and fraudulent income tax returns for 14 clients, resulting in a tax loss to the government of approximately \$108,962.

“Each of those clients who received fraudulent refunds must now pay back thousands of dollars they were never entitled to receive,” Graves said. “They must also pay interest as well as penalties on that amount.

“Hopefully, other taxpayers can learn from this,” Graves added, “and make sure that they select an honest preparer who won’t try to illegally inflate their refunds. Taxpayers are responsible for reviewing their returns and accurately reporting their information to the Internal Revenue Service.”

According to the indictment, **Smith** prepared federal income tax returns for clients containing material false and fraudulent claims of deductions, including fictitious and/or inflated Schedule A expenses (such as medical expenses, charitable contributions, and job expenses); fictitious Schedule C losses (such as business losses); and fictitious and/or inflated child care and

educational expenses. Each of the 37 counts of the federal indictment alleges a separate return prepared by **Smith** from Feb. 26, 2001, to Feb. 4, 2004, that contained false claims for deductions and credits.

“All of us hope to get a refund when we file our taxes,” Graves said, “but we shouldn’t expect an undeserved windfall. To prevent and detect this kind of fraud, the IRS now utilizes sophisticated computer programs that analyze tax returns and automatically send up red flags for further investigation.”

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

This case is being prosecuted by First Assistant U.S. Attorney Roseann Ketchmark. It was investigated by the Internal Revenue Service - Criminal Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow